

HAAS LAW P.S.  
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Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

JAMES YELVERTON, a married man and his  
marital community,

Plaintiffs,

v.

NATIONSTAR MORTGAGE, LLC, d/b/a MR.  
COOPER and its Board of Directors,

Defendants.

No.

**COMPLAINT**

**JURY TRIAL DEMAND**

Plaintiff James Yelverton and his marital community, by and through their counsel of  
record, Haas Law, P.S., for their Complaint against defendants hereby allege and aver as follows:

**I. PARTIES**

1. Plaintiff James Yelverton (hereinafter referred to as “James”) resided in Kitsap  
County, WA.

2. Defendant Nationstar Mortgage, LLC is a mortgage servicer which does business  
as Mr. Cooper and is a foreign limited liability company formed under the laws of the state of

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Delaware that maintains its headquarters and principal place of business at 8950 Cypress Waters Blvd., Dallas, TX 75019. Nationstar's Board of Directors include Jay Bray, Busy Burr, Roy Guthrie, Daniela Jorge, Mike Malone, Shveta Mujumdar, Tagar Olson, and Steven D. Scheiwe (hereinafter collectively referred to as "Nationstar").

## II. JURISDICTION

3. The Court has jurisdiction of this matter under 28 U.S.C. § 1331 and 15 U.S.C. § 1681. Nationstar regularly conducts business in the state of Washington and violated Plaintiffs' rights in the state of Washington as alleged more fully below.

4. This Court has supplemental jurisdiction to hear any state law claims that are pled herein or that may subsequently arise pursuant to 28 U.S.C. § 1367.

5. Venue is proper in this district under U.S.C 1391(b) because Plaintiffs resided in this district, Nationstar conducted business in this district, and Nationstar serviced James' loan that was attached to real property located in this district.

## III. FACTS

6. In or around March 2007, Beverly Yelverton ("Beverly") and Michael Yelverton ("Michael"), James' parents, attempted to purchase the real estate at 13471 Glenwood Road, Port Orchard, WA ("the Property") but were unable to do so.

7. On or around June 1, 2007, James signed a General Power of Attorney document ("POA") giving certain powers to Beverly. This General POA expressly stated that it became null and void on or before June 1, 2009. See **Exhibit 1**.

1           8.     A few days later, Beverly used the General POA to purchase the Property in James'  
2 name.

3           9.     On June 14, 2007, James signed a Special POA document that expressly stated that  
4 it became null and void on or before January 14, 2008. See **Exhibit 2**.

5           10.    On or about July 20, 2007, James obtained a \$150,000 loan from North Bay  
6 Mortgage/Homecomings Financial LLC for the Property.

7           11.    On or about December 2, 2008, Nationstar took over the loan on the Property from  
8 South Bay Mortgage/Homecomings Financial LLC.

9           12.    At a minimum, from December 2, 2008 through April 9, 2014, without James'  
10 authorization and without legal basis, Nationstar provided Beverly with complete access and  
11 control of James' Nationstar account and his private (non-public) and sensitive data and  
12 information. During this period, Nationstar did not have any POA and any similar type of written  
13 third party authorization on file that would allow Beverly to have any access or control of James'  
14 account and his private and sensitive data and information.

15           13.    The following is a sampling of Nationstar's widespread breaches, violations, and  
16 otherwise unlawful actions:

17               13.2   On January 15, 2010, Nationstar sent a statement and a tax document(s) to  
18 James, but the materials were addressed to Beverly's business address. James did  
not receive these materials.

19               13.3   On July 17, 2010, Nationstar sent a notice to James, but it was addressed to  
20 Beverly's business address. James did not receive this notice.

21               13.4   On August 17, 2010, Nationstar sent a notice to James, but it was addressed  
to Beverly's business address. James did not receive this notice.

1 13.5 On January 15, 2011, Nationstar sent a notice to James, but it was addressed  
2 to Beverly's home address. James did not receive this notice.

3 13.6 On January 9, 2012, Nationstar sent statements and a tax document(s) to  
4 James, but the materials were addressed to Beverly's business address. James did  
5 not receive these materials.

6 13.7 On June 15, 2013, Nationstar sent a notice to James, but it was addressed to  
7 Beverly's home address. James did not receive this notice.

8 13.8 On November 16, 2013, Nationstar sent a notice to James, but it was sent to  
9 Beverly's home address.

10 13.9 Nationstar allowed Beverly to conduct credit checks on James.

11 14. More recently, even after James contacted Nationstar multiple times in 2022,  
12 including October 26, 2022, about Nationstar's breaches, violations, and otherwise unlawful  
13 actions, Nationstar sent account-related correspondence to Beverly's address, refused to block  
14 Beverly's access to the account, refused to correct the inaccuracies in James' account, and  
15 knowingly furnished incorrect information to third parties.

16 15. Nationstar's violations and unlawful actions toward the Plaintiffs are widespread  
17 and continuing and have caused significant economic and non-economic damages to Plaintiffs.

#### 18 **IV. CLAIMS**

##### 19 **COUNT I: Negligence**

20 16. Plaintiffs re-allege the preceding paragraphs of the Complaint as if fully set forth  
21 herein.

22 17. Nationstar breached its duty to Plaintiffs by, among other things: (a) Failing to  
23 safeguard James' non-public and sensitive data; (b) failing to take affirmative steps to prevent  
24 unauthorized access to James' non-public and sensitive information; (c) failing to recognize that

1 it did not have a valid authorization on file for James; (d) failing to process James' claim regarding  
2 fraudulent or unauthorized transactions in a reasonably timely and adequate manner; and (e) failing  
3 to correct incorrect information about Plaintiff's loan/account.

4 18. Nationstar's misconduct is inconsistent with industry standards.

5 19. The harm inflicted upon Plaintiffs was reasonably foreseeable to Nationstar, and it  
6 knew or should have known its procedures as to authorizations and power of attorney documents  
7 were insufficient and would foreseeably lead to a third party, Beverly, obtaining unauthorized  
8 access and control of a customer's (James's) private (non-public) and sensitive data and  
9 information and other harm and damages described in this Complaint.

10 20. As a direct and proximate result of Nationstar's misconduct, Plaintiffs have been  
11 significantly harmed.

12 **COUNT II: Breach of Fiduciary Duty**

13 21. Plaintiffs re-allege the preceding paragraphs of the Complaint as if fully set forth  
14 herein.

15 22. A fiduciary relationship existed between Plaintiffs and Nationstar which gave rise  
16 to a duty of care on the part of Nationstar to the Plaintiffs.

17 23. Nationstar breached its duties to Plaintiffs by, among other things: (a) Failing to  
18 safeguard James' non-public and sensitive data; (b) failing to take affirmative steps to prevent  
19 unauthorized access to James' non-public and sensitive information; (c) failing to recognize that  
20 it did not have a valid authorization on file for James; (d) failing to process James' claim regarding

1 fraudulent or unauthorized transactions in a reasonably timely and adequate manner; and (e) failing  
2 to correct incorrect information about Plaintiff's loan/account.

3 24. As a result of Nationstar's acts and/or omissions, Plaintiffs sustained damages that  
4 were proximately caused by Nationstar's breach of the standard of care.

5 **COUNT III: Violation of the Fair Credit Reporting Act, 15 U.S.C §§ 1681, et seq.**

6 25. Plaintiffs re-allege the preceding paragraphs of the Complaint as if fully set forth  
7 herein.

8 26. Nationstar knowingly furnished incorrect information pursuant to 15 U.S.C. §  
9 1681s-2(a)(1)(A) regarding James' loan and it continues to this day.

10 27. This materially misleading information impacted James' ability to refinance his  
11 loan and caused other damages to the Plaintiffs.

12 28. Nationstar continued to furnish inaccurate/incorrect information despite receipt of  
13 James' disputes and complaints about the inaccuracies in violation of 11 U.S.C. § 1681s-  
14 2(a)(1)(B).

15 29. The foregoing acts and omissions constitute willful, reckless, or negligent  
16 violations of the FCRA, including but not limited to each and every one of the above-cited  
17 provisions of the FCRA, 15 U.S.C. § 1681.

18 30. As a result of each and every willful violation of the FCRA committed by  
19 Nationstar, Plaintiffs are entitled to statutory damages pursuant to 15 U.S.C. § 1681n(a)(1);  
20 punitive damages as the Court may allow pursuant to 15 U.S.C. § 1681n(a)(2); and reasonable  
21 attorneys' fees and costs pursuant to 15 U.S.C. § 1681n(a)(3) as applicable.

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23 *COMPLAINT - 6 of 8*

24  
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**COUNT IV: Violation of Washington’s Consumer Protection Act**

31. Plaintiffs re-allege the preceding paragraphs of the Complaint as if fully set forth herein.

32. Nationstar expressly represented that it protects customers and safeguards customers’ non-public and sensitive data and prevents unauthorized access to customers’ non-public and sensitive information.

33. Nationstar also expressly represented that it would report correct information about its customers.

34. Despite its representations, Nationstar: (a) failed to safeguard James’ non-public and sensitive data; (b) failed to take affirmative steps to prevent unauthorized access to James’ non-public and sensitive information; (c) failed to recognize that it did not have a valid authorization on file for James; (d) failed to process James’ claim regarding fraudulent or unauthorized transactions in a reasonably timely and adequate manner; (e) failed to correct incorrect information about Plaintiff’s loan/account; and (f) committed other actions or omissions that violated Plaintiff’s rights.

35. In taking these actions, Nationstar repeatedly committed unfair and deceptive acts in trade and commerce, which affect the public interest, and which caused damages to Plaintiffs, and thus these acts were in violation of the Consumer Protection Act (“CPA”), RCW 19.86.

36. As a direct and proximate result of Nationstar’s CPA violations, Plaintiffs has been damaged, including treble damages up to \$25,000 for each violation of RCW 19.86.020, in an amount to be proven at or before trial.

**V. DEMAND FOR TRIAL BY JURY**

37. Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiffs hereby request a trial by jury on all issues so triable.

**VI. REQUESTED RELIEF**

Wherefore, Plaintiffs demand judgment against Defendants as follows:

- A. Awarding Plaintiffs actual damages;
- B. Awarding Plaintiffs punitive damages;
- C. Awarding Plaintiffs statutory damages;
- D. Awarding Plaintiffs treble damages;
- E. Awarding Plaintiffs the costs of this action and reasonable attorneys' fees and expenses;
- F. Awarding pre-judgment interest and post-judgment interest;
- G. A declaration that Defendants' conduct alleged herein is unlawful, as set forth more fully above;
- H. Equitable relief, enjoying Defendants from engaging in the unjust and unlawful conduct alleged herein; and
- I. Awarding other and further relief as the Court deems just and equitable.

DATED this 28th day of March, 2023.

HAAS LAW, P.S.

By: 

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Attorney for Plaintiffs  
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phil@haasattorneys.com



**HAAS LAW**

**EXHIBIT 1**

## GENERAL POWER OF ATTORNEY

PREAMBLE: This is a military Power of Attorney prepared pursuant to Title 10, United States Code, Section 1044b, and executed by a person authorized to receive legal assistance from the military service. Federal law exempts this power of attorney from any requirement of form, substance, formality, or recording that is prescribed for powers of attorney by the laws of a state, the District of Columbia, or a territory, commonwealth, or possession of the United States. Federal law specifies that this power of attorney shall be given the same legal effect as a power of attorney prepared and executed in accordance with the laws of the jurisdiction where it is presented.

### KNOW ALL PERSONS BY THESE PRESENTS:

That I, **JAMES E. YELVERTON**, Social Security Number [REDACTED] of the State of **WASHINGTON** a member of the United States Armed Forces, do hereby appoint **BEVERLY YELVERTON**, of **2753 SW MINTERBROOK ROAD, PORT ORCHARD, WA 98367**, my true and lawful attorney-in-fact to manage and conduct all my affairs and act in all matters in my name and in my behalf. Such acts shall include:

1. To lease, sell, use, establish title to, register, insure, transfer, mortgage, maintain, manage, pledge, exchange or otherwise dispose of or encumber any and all of my property, real, personal, or mixed, including motor vehicles of any kind, and to execute and deliver good and sufficient deeds or other instruments for the lease, conveyance, mortgage, maintenance, or transfer of the same.
2. To buy, receive, lease, accept or otherwise acquire in my name and for my account, property, real, personal or mixed upon such terms, considerations and conditions as my said attorney-in-fact shall deem appropriate.
3. To transact all business of mine on my behalf including entering into contracts and the making of such investments as my attorney shall deem sound.
4. To institute and prosecute, or to appear and defend, any claims or litigation involving me or my interest. This shall include, but not be limited to, the authority to present a claim against the United States for damage to or loss of personal property.
5. To prepare, execute, and file all tax returns and to receive and negotiate all tax refund checks.
6. To execute all documents needed for travel of my family members and transportation or storage of my property, as authorized by law and Military regulations; to sign for and clear government or other quarters in the best interests of my family members and in accordance with law and Military regulations.
7. To demand, act to receive, and receive, all sums of money which are now or will become owing or belonging to me, and to institute accounts on my behalf and to deposit, draw upon or expend such funds of mine as are necessary in furtherance of the powers granted herein. This shall include, but not be limited to, the authority to receive, endorse, cash, or deposit negotiable instruments made payable to me and drawn upon the Treasurer, or other fiscal officer or depository of the United States or any state, possession, or territory of the United States.
8. **SPECIAL GRANT OF AUTHORITY FOR DFAS TRANSACTIONS:** To conduct any and all necessary and appropriate acts permitted by law and regulation with Defense Finance Accounting Service (DFAS) offices. This shall include, but not be limited to, receiving Leave and Earning Statements, obtaining pay and allowances as authorized by law and military regulations, and filing with DFAS a DD Form 2558 (Authorization to Start, Stop, or Change an Allotment). This document does NOT authorize my attorney-in-fact to change my direct deposit pay option account.

\* The above described powers are merely examples of the authority granted by this document and not in limitation or definition thereof. However, my Agent shall have no rights or powers hereunder with respect to the following:

a. Life Insurance: My Attorney shall have no rights or powers hereunder to cancel or change the beneficiary of any policy of life insurance owned by me.

b. Fiduciary Powers: My Attorney shall have no rights or powers hereunder with respect to any act, power, duty, right or obligation, relating to any person, matter, transaction or property, owned by me or in my custody as a trustee, custodian, personal representative or other fiduciary capacity for someone else.

**I HEREBY GIVE AND GRANT UNTO MY ATTORNEY FULL POWER AND AUTHORITY TO DO AND PERFORM EACH AND EVERY ACT AND MATTER CONCERNING MY ESTATE, PROPERTY, AND AFFAIRS AS FULLY AND EFFECTUALLY TO ALL INTENTS AND PURPOSES AS I COULD DO LEGALLY IF I WERE PRESENT.**

**TO INDUCE ANY THIRD PARTY TO ACT HEREUNDER, I HEREBY AGREE THAT ANY THIRD PARTY RECEIVING A DULY EXECUTED COPY OR FACSIMILE OF THIS POWER OF ATTORNEY MAY ACT HEREUNDER, AND THAT REVOCATION OR TERMINATION HEREOF SHALL BE INEFFECTIVE AS TO SUCH THIRD PARTY UNLESS AND UNTIL ACTUAL NOTICE OR KNOWLEDGE OF SUCH REVOCATION OR TERMINATION SHALL HAVE BEEN RECEIVED BY SUCH THIRD PARTY. I, FOR MYSELF AND MY HEIRS, EXECUTORS, LEGAL REPRESENTATIVES AND ASSIGNS, HEREBY AGREE TO INDEMNIFY AND HOLD HARMLESS ANY SUCH THIRD PARTY FROM AND AGAINST ANY AND ALL CLAIMS THAT MAY ARISE AGAINST SUCH THIRD PARTY BY REASON OF SUCH THIRD PARTY HAVING RELIED UPON THE PROVISIONS OF THIS POWER OF ATTORNEY.**

This Power of Attorney shall become effective when I sign and execute it below. Further, unless sooner revoked or terminated by me, this Power of Attorney shall become **NULL and VOID on JUNE 1, 209.**

I intend for this to be a **DURABLE Power of Attorney**. This Power of Attorney will continue to be effective if I become disabled, incapacitated, or incompetent, or when the United States Government determines that I am in a military status of "missing," "missing in action," or "prisoner of war." All acts done by my Attorney hereunder shall have the same effect and inure to the benefit of and bind myself and my heirs as if I were competent, and not disabled, incapacitated, or incompetent.

I shall be considered disabled or incapacitated for purposes of this power of attorney if a physician, based on that physician's examination, certifies in writing at a date subsequent to the date which this power of attorney is executed, that I am disabled from or incapable of exercising control over my person, property, personal affairs, or financial affairs. I authorize the physician who so certifies, to disclose my physical or mental condition to another person for purposes of this power of attorney. A third party who accepts this power of attorney, endorsed by proper physician certification of my disability or incapacity, is held harmless and fully protected from any action taken under this power of attorney.

Notwithstanding my inclusion of a specific expiration date herein, if on that specified expiration date I should be or have been properly certified, in writing, by a physician to be disabled from or incapable of exercising control over my person, property, personal affairs, or financial affairs, then this Power of Attorney shall remain valid and in full effect until sixty (60) days after I have recovered from such disability **UNLESS OTHERWISE REVOKED OR TERMINATED BY ME**. Furthermore, if on the above-specified expiration date, or during the sixty (60) day period preceding that specified expiration date, I should be or have been determined by the United States Government to be a military status of "missing," "missing in action," or "prisoner of war," then this Power of Attorney shall remain valid and in full effect until sixty (60) days after I have returned to the

United States military control following termination of such status **UNLESS OTHERWISE REVOKED OR TERMINATED BY ME.**

**I HEREBY RATIFY ALL THAT MY ATTORNEY SHALL LAWFULLY DO OR CAUSE TO BE DONE BY THIS DOCUMENT.**

All business transacted hereunder for me or for my account shall be transacted in my name, and all endorsements and instruments executed by my attorney for the purpose of carrying out the foregoing powers shall contain my name, followed by that of my attorney and the designation "attorney-in-fact."

**IN WITNESS WHEREOF**, I sign, seal, declare, publish, make and constitute this as and for my Power of Attorney in the presence of the Notary Public witnessing it at my request this date, **JUNE 1, 2007.**

  
JAMES E. YELVERTON

**STATE OF ALABAMA**

**COUNTY OF DALE**

Subscribed, sworn to and acknowledged before me by **JAMES E. YELVERTON** on **JUNE 1, 2007.**

(SIGN)

  
**NOTARY PUBLIC**

My Commission Expires:

**November 22, 2010**

**HAAS LAW**

**EXHIBIT 2**

# **SPECIAL POWER OF ATTORNEY**

PREAMBLE: This is a military Power of Attorney prepared pursuant to Title 10, United States Code, Section 1044b, and executed by a person authorized to receive legal assistance from the military service. Federal law exempts this power of attorney from any requirement of form, substance, formality, or recording that is prescribed for powers of attorney by the laws of a state, the District of Columbia, or a territory, commonwealth, or possession of the United States. Federal law specifies that this power of attorney shall be given the same legal effect as a power of attorney prepared and executed in accordance with the laws of the jurisdiction where it is presented.

## **KNOW ALL PERSONS BY THESE PRESENTS:**

That I, **JAMES E. YELVERTON**, Social Security Number [REDACTED] of the State of **WASHINGTON**, do hereby appoint **BEVERLY YELVERTON**, of **2753 SW MINTERBOOK ROAD, PORT ORCHARD, WA 98367**, my true and lawful attorney-in-fact to do the following in my name and in my behalf:

To purchase in my name and for my use real property described as: **13471 GLENWOOD RD SW, PORT ORCHARD, WA 98367**, and for that purpose to make, indorse, accept, receive, sign, seal, execute, acknowledge, and deliver any application forms, documents, instruments, or paper necessary or convenient to enter into both a contract and mortgage or deed of trust upon said real estate for such price, at such rate of interest and upon such terms as he shall deem best. Furthermore, I explicitly authorize my attorney-in-fact to utilize any entitlement that may be forthcoming from the Veterans Administration based upon my status as a member of the Armed Forces.

Giving and granting individually unto said attorney full power and authority to do and perform all and any act, deed, matter and thing whatsoever in and about any of the specified particulars mentioned in the paragraph immediately above, as fully and effectually to all intents and purposes as I might and could do in my own person if personally present; and in addition thereto, I do hereby ratify and confirm each of the acts of my aforesaid attorney lawfully done pursuant to the authority herein above conferred.

**TO INDUCE ANY THIRD PARTY TO ACT HEREUNDER, I HEREBY AGREE THAT ANY THIRD PARTY RECEIVING A DULY EXECUTED COPY OR FACSIMILE OF THIS POWER OF ATTORNEY MAY ACT HEREUNDER, AND THAT REVOCATION OR TERMINATION HEREOF SHALL BE INEFFECTIVE AS TO SUCH THIRD PARTY UNLESS AND UNTIL ACTUAL NOTICE OR KNOWLEDGE OF SUCH REVOCATION OR TERMINATION SHALL HAVE BEEN RECEIVED BY SUCH THIRD PARTY. I, FOR MY SELF AND MY HEIRS, EXECUTORS, LEGAL REPRESENTATIVES AND ASSIGNS, HEREBY AGREE TO IDEMINIFY AND HOLD HARMLESS ANY SUCH THIRD PARTY FROM AND AGAINST ANY AND ALL CLAIMS THAT MAY ARISE AGAINST SUCH THIRD PARTY BY REASON OF SUCH THIRD PARTY HAVING RELIED UPON THE PROVISIONS OF THIS POWER OF ATTORNEY.**

This Power of Attorney shall become effective when I sign and execute it below. Further, unless sooner revoked or terminated by me, this Power of Attorney shall become **NULL and VOID** on **JANUARY 14, 2008**.

**I HEREBY RATIFY ALL THAT MY ATTORNEY SHALL LAWFULLY DO OR CAUSE TO BE DONE BY THIS DOCUMENT.**

All business transacted hereunder for me or for my account shall be transacted in my name, and all endorsements and instruments executed by my attorney for the purpose of carrying out the foregoing powers shall contain my name, followed by that of my attorney and the designation "attorney-in-fact."

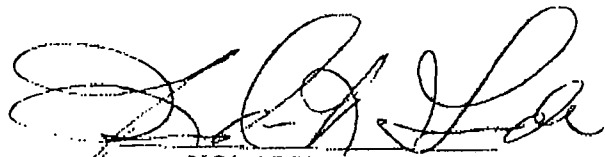
**IN WITNESS WHEREOF**, I sign, seal, declare, publish, make and constitute this as and for my Power of Attorney in the presence of the Notary Public witnessing it at my request this date, **JUNE 14, 2007**.

  
\_\_\_\_\_  
**JAMES E. YELVERTON**

**STATE OF ALABAMA**

**COUNTY OF DALE**

Subscribed, sworn to and acknowledged before me by **JAMES E. YELVERTON** on **JUNE 14, 2007**.

  
\_\_\_\_\_  
**NOTARY PUBLIC**  
**My Commission Expires: November 22, 2010**